

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-05/06/21-1470-01

ELECTIONS, UNIT: Watkins 7

(hereinafter "Subject Drilling Unit")


REPORT OF BOARD

FINDINGS AND ORDER

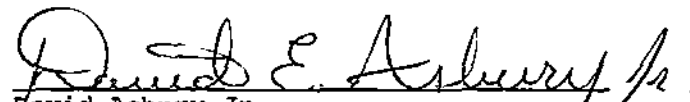
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on November 24, 2009 and recorded instrument # 090003639 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on November 30, 2009 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Range Resources-Pine Mountain Inc., (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated January 15, 2010, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;

- (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated October 19, 2010, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN, 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company, P.O. Box 3860, Kingsport, TN, 37660 (423) 245-6971, Attn: Debbie Davis, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

DONE AND EXECUTED this 16 day of March, 2011 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 16 day of March, 2011 by Order of this Board.


David Asbury Jr.
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF RUSSELL)

Acknowledged on this 16th day of March, 2011, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and David Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.


Diane Davis, Notary
174394

My commission expires: September 30, 2013.



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Range Resources-Pine Mountain Inc. for Forced Pooling of Interests in Unit Number Watkins 7, VGOB Docket No. VGOB-05/06/21-1470-01 in the Hurricane Magisterial District of Buchanan County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on November 24, 2009, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on November 30, 2009.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow as either unknown claimants or conflicting claimants under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

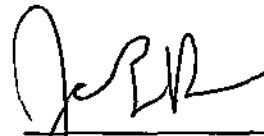
See Exhibit EE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

See Exhibit B-3

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

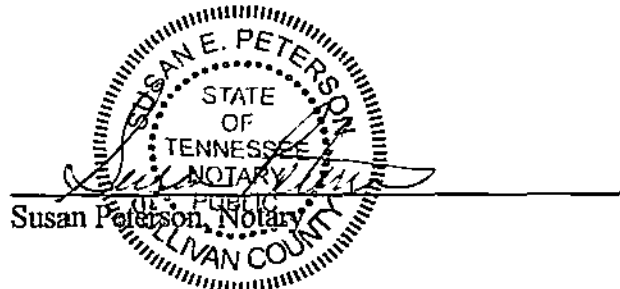
Dated at Kingsport, Tennessee, this 19th day of October, 2010.



Affiant

State of Tennessee)
County of Sullivan)

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Range Resources-Pine Mountain Inc. a corporation, on behalf of the corporation, this 19th day of October, 2010.



Susan Peterson, Notary

My commission expires: October 24, 2012.

Exhibit "B"
Revised 5/4/2009 Watkins 7

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Gas Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	52.68000000	30.96000000
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	41.72000000	24.52000000
3	Beulah Bowman 1738 Bearbranch Road Vansant, VA 24656	Leased	4.68000000	2.75000000
4	Willard & Susie A Charles 1064 Ironwood Road Vansant, VA 24656	Leased	0.13288889	0.07800000
	Glenn & Marie Charles P.O. Box 440 Vansant, VA 24656	Leased	0.13288889	0.07800000
	Richard Charles 2066 Watkins Street Grundy, VA 24614	Unleased	0.13288889	0.07800000
	Jonie & Grover Vanover 1580 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Sarah Mohr 215 Twillo Run Drive New Haven, IN 46774	Leased	0.13288889	0.07800000
	Mary Katie & Jessie Kedna Bowman 1715 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Earl & Pearl Charles 1313 Landmark Road Vansant, VA 24656	Leased	0.03066667	0.01800000

Floyd & Judy C Charles 1178 Landmark Road Vansant, VA 24656	Leased	0.01022222	0.00600000
Corene Wagner 1079 Coal Miner Road Vansant, VA 24656	Leased	0.01022222	0.00600000
Margie Yates 26826 Eunice Avenue Defiance, OH 43512	Leased	0.01022222	0.00600000
Jessie Boyd Unknown Address	Unleased	0.01022222	0.00600000
James Boyd Unknown Address	Unleased	0.01022222	0.00600000
Jerline Boyd Heirs Unknown	Unleased	0.01022222	0.00600000
Vernie & Quillion Boyd P.O. Box 274 Davenport, VA 24239	Leased	0.00766667	0.00450000
Russell & Sherry Boyd Box 931 Rocky Gap Hollow Birchleaf, VA 24220	Leased	0.00766667	0.00450000
Ray Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
Martha Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
TOTAL GAS ESTATE		100.00000000	58.77000000
Percentage of Unit Leased	99.55533333		
Percentage of Unit Unleased	0.44466667		
Acreage in Unit Leased	58.50900000		
Acreage in Unit Unleased	0.26100000		

Exhibit "B"
Watkins 7 Updated 3/24/2009

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
CBM Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	52.68000000	30.96000000
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	41.72000000	24.52000000
3	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	4.68000000	2.75000000
4	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	0.92000000	0.54000000
TOTAL COAL ESTATE			100.00000000	58.77000000
Percentage of Unit Leased		100.00000000		
Percentage of Unit Unleased		0.00000000		
Acreage in Unit Leased		58.77000000		
Acreage in Unit Unleased		0.00000000		

Exhibit "B-3"
Watkins 7
Revised 10/19/10

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
	Gas Estate Only			
4	Richard Charles 2066 Watkins Street Grundy, VA 24614	Unleased	0.13288889	0.07800000
	Jonie & Grover Vanover 1580 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Mary Katie & Jessie Kedna Bowman 1715 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Jessie Boyd Unknown Address	Unleased	0.01022222	0.00600000
	James Boyd Unknown Address	Unleased	0.01022222	0.00600000
	Jerline Boyd Heirs Unknown	Unleased	0.01022222	0.00600000
	Ray Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
	Martha Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
<hr/> TOTAL			0.44466667%	0.26100000

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Exhibit "E"
Watkins 7
Revised 10/20/09

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
	Gas Estate Only			
4	Willard & Susie A Charles 1064 Ironwood Road Vansant, VA 24656	Leased	0.13288889	0.07800000
	Glenn & Marie Charles P.O. Box 440 Vansant, VA 24656	Leased	0.13288889	0.07800000
	Richard Charles 2066 Watkins Street Grundy, VA 24614	Unleased	0.13288889	0.07800000
	Jonie & Grover Vanover 1580 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Sarah Mohr 215 Twillo Run Drive New Haven, IN 46774	Leased	0.13288889	0.07800000
	Mary Katie & Jessie Kedna Bowman 1715 Bear Branch Road Vansant, VA 24656	Unleased	0.13288889	0.07800000
	Earl & Pearl Charles 1313 Landmark Road Vansant, VA 24656	Leased	0.03066667	0.01800000
	Floyd & Judy C Charles 1178 Landmark Road Vansant, VA 24656	Leased	0.01022222	0.00600000
	Corene Wagner 1079 Coal Miner Road Vansant, VA 24656	Leased	0.01022222	0.00600000
	Margie Yates 26826 Eunice Avenue Defiance, OH 43512	Leased	0.01022222	0.00600000
	Jessie Boyd Unknown Address	Unleased	0.01022222	0.00600000

Exhibit "E"
Watkins 7
Revised 10/20/09

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
Gas Estate Only				
4	James Boyd Unknown Address	Unleased	0.01022222	0.00600000
	Jerline Boyd Heirs Unknown	Unleased	0.01022222	0.00600000
	Vernie & Quillion Boyd P.O. Box 274 Davenport, VA 24239	Leased	0.00766667	0.00450000
	Russell & Sherry Boyd Box 931 Rocky Gap Hollow Birchleaf, VA 24220	Leased	0.00766667	0.00450000
	Ray Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
	Martha Boyd General Delivery Davenport, VA 24239	Unleased	0.00766667	0.00450000
TOTAL			0.92000000%	0.54000000
OR				
Coal Estate				
4	Range Resources Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	0.92000000	0.54000000
TOTAL			0.92000000%	0.54000000

Exhibit "EE"
Watkins 7
Revised 10/20/09

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
Split Agreement				
3	Beulah Bowman 1738 Bearbranch Road Vansant, VA 24656	Leased	4.68000000	2.75000000
OR				
3	Range Resources - PMI Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	4.68000000	2.75000000

INSTRUMENT #110000795
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
APRIL 4, 2011 AT 01:14PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB